

DEED OF TRUST

THIS INDENTURE made and entered into this 11th day of August, 1993 by and between  
Jessie Phillip Smith and wife, Lori A. Smith

party of the first part, and Delta Title Company Trustee, of the second part.

WITNESSETH: That for and in consideration of Five Dollars cash in hand paid by the party of the second part to the parties of the first part, and the debt and trusts hereinafter mentioned, said parties of the first part have bargained and sold and do hereby bargain, sell, convey and confirm unto the said party of the second part the following described real estate situated and being in DeSoto County, Mississippi; to-wit:

Lot 18, Section A, Payne Park Subdivision, in Section 8, Township 2 South, Range 6 West, as shown by the Plat recorded in Plat Book 19, Page 35-37, in the Office of the Chancery Clerk of DeSoto County, Mississippi; Deed from Bridgforth Properties, Inc. to Jessie PHillip Smith, March 27, 1985, Book 117, Page 242

STATE MS.-DESOTO CO.  
FILED

AUG 16 11 42 AM '93 J.X.  
J.X.

CANCELLED BY AUTHORITY RECORDED IN BOOK  
723 PAGE 376

THIS 6th DAY OF Sept., 1994.

W. E. Davis  
CHANCERY CLERK  
By: P. Starkey, sec

BK 654 PG 722  
W.E. DAVIS CH. CLK.  
By: Woodward, D.C.

To have and to hold, the aforescribed real estate, together with the hereditaments and appurtenances thereunto belonging or in any wise appertaining unto the said party of the second part, the successors and assigns, in fee simple forever, and the said parties of the first part do hereby covenant with the said party of the second part, its successors and assigns, that they are lawfully seized in fee of the aforescribed real estate; that they have a good right to sell and convey the same; that the same is unencumbered, and that the title and quiet possession thereto they will and their heirs and personal representatives shall warrant and forever defend against lawful claims of all persons. But this is a Trust Deed, and is made for the following uses and purposes, and none other, that is to say: the said parties of the first part are justly indebted to

National Home Loan Company, Inc.

(hereinafter referred to as "Lender") in the sum of

SEVENTEEN THOUSAND SIX HUNDRED NINETY ONE AND 60/100-----Dollars (\$17,691.60),

evidenced by a Promissory Note of even date, payable in One Hundred Twenty (120) equal consecutive monthly installments of ONE HUNDRED FORTY SEVEN AND 43/100-----Dollars (\$ 147.43) each; commencing on September 16, 1993, with the final installment being in the amount of \$ Not applicable due on the same day of the following month.

The total indebtedness secured by this Deed of Trust shall in no event exceed the gross amount of the initial obligation set out above plus any sums advanced for protection of the interest of the Trustee and or the holder of the secured obligation. This includes, but is not necessarily limited to advances to prior lienholders, payment of taxes, insurance and interest accruing on items advanced. On all sums so advanced, interest shall be charged and accrue at the rate provided under the above described note. Title was obtained by the first parties Deed Book No. 117, Pg. 242 in the above named County Chancery Clerk's Office.

The sale, conveyance or transfer of the real property herein described in any manner or by any manner or by any device without first obtaining the consent of the holder of the obligations secured, shall constitute a default, and the holder shall have the right at its option to immediately declare the entire obligation due and payable and proceed to foreclose or exercise any other rights held by it in the premises.

And it is a condition of this instrument that in the event of any default in any of the terms and conditions of any prior deed of trust, or in the event of any default in any of the terms and conditions of any other deed of trust, the lien of which may be or become prior and paramount to the lien of this instrument, then in every such event the owner of the indebtedness secured by this instrument may, at its option, declare the indebtedness secured by this instrument due for all purposes, and foreclosure may be had hereunder as in the case of any other default, or it may advance any such sum or sums as shall be necessary in order that the terms and conditions of any deed of trust, the lien of which is prior and paramount to the lien of this instrument, may be complied with, which sum or sums when so paid shall be secured by the lien of this instrument, and shall bear interest from the date of such payment or payments at the rate of interest provided under the above described note.

This instrument shall secure the payment of all other indebtedness that is presently existing or may hereafter exist of parties of first part to the lender, irrespective of the manner by which such indebtedness is evidenced.

It is further agreed that all sums now owed to or hereafter advanced by Lender to parties of the first part shall be payable at office of Lender or where directed by written notice and shall bear interest as may be provided in the notes or other evidences of indebtedness.

This instrument is also executed to secure and enforce payment of any renewal or extension of any note or in any part of the indebtedness of parties of first part, including any further loans that may be made by Lender.

Repayment of all indebtedness of parties of first part shall not terminate the lien of this instrument unless it is released by Lender or its assignee at the request of parties of first part, otherwise it shall remain in full force to secure future advances and indebtedness, irrespective of any additional security that may be taken as to such indebtedness. The lien of this instrument shall be unaffected by renewals, extensions, or partial release hereunder.

Now, therefore, the parties of the first part agree and bind themselves that so long as any part of the indebtedness aforesaid shall remain unpaid, they will pay all taxes and assessments against said property promptly when due, and deposit all tax receipts with the holder of the greater portion of the outstanding indebtedness secured hereby; will insure the buildings on said property for not less than the amount secured or the actual cash value of the buildings (whichever is greater) against fire and extended coverage in some insurance company or companies approved by the holder of the greater portion of the outstanding indebtedness secured hereby and cause said policies to be made to said Lender for the benefit of the owner of said indebtedness as his interest may appear, and deposit said policies with the holder of the greater portion of the outstanding indebtedness secured hereby as further security for said debt and full responsibility for the maintenance of insurance rests with the parties of the first part and they will protect the improvements on said property by proper repairs, and maintain them in good repair and condition; will not do anything or permit anything to be done whereby the lien of this Deed of Trust might or could be impaired; will pay such expenses and fees as may be necessary in the protection of the property and the maintenance and execution of this trust, including, but not being limited to, expenses incurred by the Trustee in any legal proceeding to which it is made a party. The net proceeds resulting from the taking of all or any part of the property by eminent domain, or from any sale in lieu thereof, shall be applied upon the indebtedness in inverse order to its maturity; and in the event of the destruction of the improvements by fire or other casualty, the net proceeds of the insurance shall be applied upon the indebtedness secured hereby in inverse order to its maturity, or at the option of the parties of the first part, their heirs and assigns, such proceeds may be used to restore the improvements to their former condition.

Alternatively, if Lender so requests, borrower agrees to pay on the day monthly installments of principal and interest are payable under the Note, until the Note is paid in full, a sum equal to one-twelfth of the yearly taxes and assessments which may attain priority over this Deed of Trust, and ground rents on the property, if any, plus one-twelfth of yearly premium installments for hazard insurance, plus one-twelfth of yearly premium installments for mortgage insurance, if any, all as reasonable estimated initially and from time to time by Trustee on the basis of assessments and bills and reasonable estimates thereof.

The owner of any part of the indebtedness aforesaid may, at his discretion, advance and pay such sums as may be proper to satisfy taxes, maintain insurance and repairs, and protect and preserve the property, and such amounts so paid shall be held and treated as part of the administering this trust. All sums paid become a part of the note balance and bear interest in like amount.

If the said parties of the first part shall pay said indebtedness when due, and shall pay such sums as shall be necessary to discharge taxes and maintain insurance and repairs and costs, fees and expenses of making, enforcing and executing this trust, when they shall severally be due and payable, then this conveyance shall become void, and the holder shall furnish a release deed to the parties of the first part on the property described.

But if said parties of the first part shall fail to pay any part of said indebtedness promptly when the same becomes due, or shall fail to pay any sum necessary to satisfy and discharge taxes and assessments before they become delinquent or to maintain insurance or repairs, or the necessary expenses of protecting the property and executing this trust, then, or in either event, all of the indebtedness herein secured shall, at the option of the owner of any of said notes and without notice, become immediately due and payable, and the said Trustee is hereby authorized and empowered to enter and take possession of said property, and before or after such entry to advertise the sale of said property for twenty-one days by three weekly notices in some newspaper published in DeSoto County

Miss., and sell the property for cash to the highest bidder, free from equity of redemption, homestead, and any and all other exemptions, and the statutory right of redemption is further expressly waived as well as any and all other exemptions or rights of redemption that might exist, (if any) and said Trustee shall execute and issue a "Trustee's Deed" and deliver possession to the purchaser, which the parties of the first part bind themselves shall be given without obstruction, hindrance or delay. This waiver covers only the property contained in this Deed of Trust.

The owners of any part of the indebtedness hereby secured may become the purchaser at any sale under this conveyance.

If the notes secured hereby are placed in the hands of an attorney for collection, foreclosure or to protect the security for their payment, the parties of the first part will pay all costs of collection and litigation, together with a reasonable attorney's fee and the same shall be a lien on the premises hereby conveyed and enforced by a sale of the property as such expenses shall become a part of the note obligation.

Transfer of the property; Assumption. If all or any part of the property or an interest therein is sold or transferred by parties of the first part without Lender's prior written consent, excluding (a) the creation of a lien or encumbrance subordinate to this Deed of Trust, (b) the creation of a purchase money security interest for household appliances, (c) a transfer by devise, descent or by operations of law upon the death of a joint tenant or (d) the grant of any leasehold interest of three years or less not containing an option to purchase, Lender may, at Lender's option, declare all the sums accrued by this Deed of Trust to be immediately due and payable. Lender shall have waived such option to accelerate if prior to the sale of transfer, Lender and the person to whom the property is to be sold or transferred reach agreement in writing that the credit of such person is satisfactory to Lender and that the interest payable to the sums secured by this Deed of Trust shall be at such rate as Lender shall request.

The proceeds of any sale shall be applied as follows; first to the payment of the expenses of making, maintaining and executing this trust, the protection of the property, including the expense of any litigation and attorney's fees, and the usual commissions to the Trustee; second, to the payment of the indebtedness herein secured or intended so to be, without preference or priority of any part over any other part, and any balance of said indebtedness remaining unpaid shall be the subject of immediate suit; and, third, should there be any surplus, the Trustee will pay it to the parties of the first part, or order. In the event of the death, refusal, or of inability for any cause, on the part of the Trustee named herein, or any successor trustee, to act at anytime when action under the foregoing powers and trust may be required, or for any other reason satisfactory to the owner of the debt, the owner or owners of the majority of the outstanding indebtedness aforesaid are authorized either in their own name or through an attorney or attorneys in fact appointed for that purpose by written instrument duly registered, to name and appoint a successor or successors to execute this trust, such appointment to be evidenced by writing, duly acknowledged; and when such writing shall have been requested, the substituted trustee named therein shall thereupon be vested with all the right and title, and clothed with all the power of the Trustee named herein and such like power of substitution shall continue so long as any part of the debt secured hereby remains unpaid.

The parties of the first part, for themselves, their heirs, representatives and assigns, covenant and agree that at any time after default in payment of any of the indebtedness hereby secured, or upon failure to perform any of the covenants to be kept and performed by them, said Trustee may enter upon and take possession of said property and collect the rents and profits therefrom with payment of such to the trustee after default being full acquittance to the tenant, but the Trustee shall be required to account only for the net rents received by him; and from and after the conveyance of said property under this Deed of Trust, the parties of the first part, and all persons under them, shall at the option of the purchaser, be and become the tenants at the will of the purchasers, at a rental of \$ value per month, commencing with the date of delivery of the Trustee's Deed.

In the event that two trustees are named herein, either of the trustees shall be clothed with full power to act when action hereunder is required and the term "Trustee" shall be construed to mean "Trustees".

In the event that two trustees are named herein and the substitution of a trustee shall become necessary for any reason, the substitution of one trustee in the place of the two named herein shall be sufficient.

Wherever the word "Party" is used herein, it shall mean "Parties" if there are more than one person referred to and whenever pronouns occur herein, they shall be construed according to their proper gender and number according to the context of this instrument.

All erasures and interlineations were made before signing.

The necessity of the Trustee herein named, or any successor in trust, making oath or giving bond is expressly waived.

WITNESS the signatures of the said parties of the first part this the day and year first above written.

Jessie Phillip Smith  
 Jessje Phillip Smith  
 Social Security # 6163

Lori A. Smith  
 Lori A. Smith  
 Social Security # 6653

STATE OF TENNESSEE COUNTY OF SHELBY

Before me, the undersigned, a Notary Public in and for said State and County, duly commissioned and qualified, personally appeared Jessie Phillip Smith and

Lori A. Smith

to me known to be the person(s) described in and who executed the foregoing instrument, and acknowledged that they executed the same as their free act and deed.

WITNESS my Hand and Notarial Seal at office this 11th day of August

1993  
 DEBRA M. SMITH  
 NOTARY PUBLIC  
 My commission expires:  
 My Commission Expires Oct. 15, 1996  
 SHELBY COUNTY

Debra M. Smith  
 Notary Public

State Tax.....\$  
 Clerk's Fee..... 11.50  
 Total.....\$ 11.50